

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE:)	Chapter 11
)	
IYS VENTURES, LLC.)	Case No. 23-06782
)	
Debtor.)	Hon. David D. Cleary
IYS VENTURES, LLC.,)	
)	
Plaintiff,)	
)	
v.)	Adversary No.
)	
THE HUNTINGTON NATIONAL BANK,)	
)	
Defendant.)	

**DEBTOR'S COMPLAINT TO AVOID AND RECOVER PREFERENTIAL
TRANSFERS UNDER 11 U.S.C. §547**

Now comes the Debtor, IYS Ventures, LLC, by and through its attorneys, Gregory K. Stern, Dennis E. Quaid, Monica C. O'Brien, and Rachel S. Sandler, pursuant to 11 U.S.C. §547, and in support of its Complaint to Avoid and Recover Preferential Transfers, states as follows:

STATUTORY PREDICATES

1. On May 23, 2023 (the "Petition Date"), IYS Ventures, LLC (the "**Debtor**" or "**Plaintiff**") filed a Voluntary Petition for relief under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq., as amended (the "**Code**"), in the case known more commonly as IYS VENTURES, LLC, Case No. 23-06782 (the "**Bankruptcy Case**"). Debtor is empowered by 11 U.S.C. § 1107(a) to exercise in this case all of the powers of a trustee under the Bankruptcy Code.

2. The United States Bankruptcy Court for the Northern District of Illinois (the "**Bankruptcy Court**") has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§ 157 and 1334.

3. This adversary proceeding is a core proceeding pursuant to one or more subsections of 28 U.S.C. §157(b)(2)(F) and this Court has the Constitutional authority to adjudicate the merits of this Adversary Proceeding and Debtor consents to this Court adjudicating the subject matter of this complaint

and entering a dispositive order resolving all disputes.

4. Venue is proper pursuant to 28 U.S.C. §1409(a).
5. The statutory predicate for this proceeding to avoid preferences arise under 11 U.S.C. §§547.

FACTS

6. The Huntington National Bank (the “**Defendant**”) is a chartered bank doing business in the Northern District of Illinois and is a creditor of the Debtor.

7. On March 16, 2023, the Defendant obtained an Order On Motion for Prejudgment Attachment in the amount of \$1,880,075.01 (the “**Attachment**”) against the Debtor in the proceeding more commonly known as *The Huntington National Bank vs. IYS Ventures, LC, et al.*, case no. 1:23-cv-01368 pending in the United States District Court for the Northern District of Illinois Department (the “**District Court Case**”). A copy of the Attachment Order is attached hereto as Exhibit “A”.

8. The Attachment created an interest on behalf of Defendant in designated property owned by Debtor and effected a transfer of an interest in the Debtor’s property in favor of Defendant as a creditor of Debtor.

9. The Attachment was created during the 90-day period prior to the Petition Date (the “**Preference Period**”).

AVOIDANCE OF PREFERENTIAL TRANSFER – 11 U.S.C. §547

10. During the Preference Period, the Defendant obtained and received a transfer of an interest in the Debtor’s property for its benefit as a creditor of the Debtor (the “**Transfer**”).

11. The Transfer was a transfer of property of the Debtor as defined by 11 U.S.C. §101(54).
12. The Transfer was to or for the benefit of the Defendant as a creditor of the Debtor.
13. The Transfer was made on account of antecedent debt owed by the Debtor to the Defendant before such transfer was made.
14. The Debtor was insolvent at the time the Transfer was made.

15. The Transfer were made within ninety days of the Petition Date.
16. Pursuant to 11 U.S.C. §547(b) the Transfer allowed the Defendant as a creditor of Debtor to receive more than the Defendant would otherwise have received if (a) the Debtor's case were one under Chapter 7 of the Bankruptcy Code, (b) the Transfer had not been made, and (c) the Defendant received payment of such debt to the extent provided by the provisions of the Code.

17. The Transfer constitutes an avoidable preference under 11 U.S.C. §547(b) of the Code

18. Pursuant to 11 U.S.C. §547(b), the Plaintiff may avoid the Transfer.

WHEREFORE, the Plaintiff, IYS Ventures, LLC, requests that this Court enter a dispositive order granting the following relief:

- A. Enter judgment declaring the Attachment against the Debtor's property to be an avoidable preferential transfer pursuant to 11 U.S.C. §547(b);
- B. Avoid the Attachment against the Debtor's property; and,
- C. Grant such other and further relief as this Court deems just.

/s/ Gregory K. Stern
Gregory K. Stern, Attorney

Gregory K. Stern (Atty. ID #6183380)
Monica C. O'Brien (Atty. ID #6216626)
Dennis E. Quaid (Atty. ID #02267012)
Rachel S. Sandler (Atty. ID #6310248)
53 West Jackson Boulevard
Suite 1442
Chicago, Illinois 60604
(312) 427-1558